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Legislative Notice

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S. 1771— Food and Medicine for the World Act

Calendar No. 343

Introduced by Senator Ashcroft on October 22, 1999; read the second time and placed on the Calendar October 25, 1999. No written report.

NOTEWORTHY

- The Food and Medicine for the World Act passed the Senate on August 3, 1999, as an amendment to the Agriculture Appropriations Act. The motion to table failed by a vote of 28-70, and the amendment then was passed by voice vote. Subsequently, the amendment was stripped from the bill during conference, mostly due to objections that its provisions would have permitted lifting certain restrictions against Cuba.
- In response to the Ashcroft amendment being removed in conference, the Majority Leader said he would allow the Senate to consider the legislation as a free-standing bill. Senator Ashcroft, along with a bipartisan group of farm-state Senators, reintroduced the language in nearly identical form as S. 1771 on October 22, 1999.
- The bill would reform embargoes on agricultural goods and medicine. It would require congressional approval (via passage of a joint resolution) before the President could impose any unilateral agricultural or medical sanction on any country. The bill provides for expedited procedures for such approval. If sanctions against agriculture and medicine were imposed, they would sunset after two years unless they were reinstated by the President with Congress's approval.

HIGHLIGHTS

The Food and Medicine for the World Act

The objective of the bill is to exclude most agricultural products and medicine from U.S. sanctions regimes. The President may not sanction food and medicine unless he receives congressional consent under an expedited procedure. If sanctions against agriculture and medicine are imposed, they would sunset after two years unless they are reinstated by the President and Congress.

Effect on Current Sanctions: If the bill is passed, the President and Congress would have 180 days to review the sanctions currently affecting seven countries. If the President and Congress do not agree to maintain food and medicine embargoes against those currently sanctioned countries within 180 days utilizing the procedures in this bill, the sanctions will be lifted to the extent outlined below.

Sales that would be allowed:

- U.S. exporters may sell to foreign buyers in the private sector without any licensing requirement.
- U.S. exporters may use U.S. government credit guarantees and available federal export assistance to sell to a private sector buyer.
- U.S. exporters may also sell to all government entities on a commercial basis.

Specific Provisions to Promote U.S. National Security:

- Credit guarantees are specifically prohibited for export to governments of terrorist nations. Such exports have to be made on a commercial basis.
- The bill does not lift restrictions on exports of products that are "dual use" or that are used to develop chemical or biological weapons, or weapons of mass destruction.
- If there is a declared war, the legislation maintains the President's authority to cut off all food and medicine sales immediately without congressional consideration.
- If there is any other instance in which the President wants to use food or medicine in a sanctions regime, he may do so — after first obtaining congressional consent.

BACKGROUND

The sponsors of S. 1771 base the purpose of the bill on the following findings. Access to overseas markets is even more important than ever given the decline in projected agricultural exports for 1999 and the depressed commodity prices worldwide. Current U.S. food embargoes give an advantage to foreign farmers. Also, the imposition of sanctions undermines the more market-oriented farm policy objectives laid out in the 1996 Freedom to Farm Act that assumed continued and increased access to foreign markets. The U.S. Department of Agriculture (USDA) estimates that there has been a \$1.2-billion annual decline in the U.S. economy during the mid-1990s. This translates into at least 7,600 fewer U.S. jobs, 2,600 of which are in the farm sector. At the same time, commodity prices have been plummeting, and export markets have been shrinking. While this is occurring, both Congress and the President have continued to pursue a foreign policy that places restrictions on agricultural products and that closes off markets to U.S. products.

Supporters of this legislation point out that sales lost because of these economic sanctions have had a disproportionate impact on the U.S. agricultural sector. According to the USDA, U.S. sanctions have cut farmers out of about 14 percent of the total market for rice imports (\$550 million); about 10 percent of world wheat purchases (\$800 million); 5 percent of all vegetable oil imports (\$1.2 billion); 5 percent of the world's barley imports (\$106 million); and 3.5 percent of all corn imports (\$380 million). If sanctions were lifted this year, the Washington Wheat Commission projects that our wheat farmers could export an additional 4.1 million metric tons of wheat at a value of almost half a billion dollars. The American Soybean Association projects that soybean farmers' income could rise by an estimated \$100 to \$147 million annually if food embargoes were lifted.

Supporters of S. 1771 also point out that it is good foreign policy. The United States should help strengthen, not weaken, those who could resist an oppressive regime by assuring continued access to the food they need to resist and survive. Also, the bill's targeted approach with regard to U.S. government credits has several foreign policy benefits. It strengthens current law to ensure that no taxpayer dollars will be used to benefit terrorist governments. It sends a message that the United States in no way will assist or endorse the activities of nations which threaten our interests, yet it shows support for the very people whose strength needs to be maintained in these countries. Finally, by excluding exports of "dual use" items, S. 1771 ensures that the bill supports humanitarian aid, but not aid to terrorists.

BILL PROVISIONS

S. 1771 is, “a bill to provide stability in the United States agriculture sector and to promote adequate availability of food and medicine for humanitarian assistance abroad by requiring congressional approval before the imposition of any unilateral agricultural or medical sanction against a foreign country or foreign entity.”

Section 2. Requirement of Congressional Approval of any Unilateral Agricultural or Medical Sanction.

(b) Restrictions:

(1) New Sanctions. The President may not impose a unilateral agricultural sanction or medical sanction against a foreign country or foreign entity, unless (A) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress; and (B) Congress enacts a joint resolution stating the approval of the President’s proposed sanctions.

(2) Existing Sanctions. Upon enactment of this Act, the President and Congress would have 180 days to review the seven currently sanctioned countries. If the President and Congress do not reinstate food and medicine sanctions against currently sanctioned countries within 180 days utilizing the procedures contained in this bill, the agricultural and medical sanctions would be lifted, with exceptions.

(c) Exceptions:

- If there is a declared war, the bill would not affect the President’s authority to cut off all food and medicine sales immediately without congressional consideration.
- The bill does not lift restrictions on exports of products that are “dual use” or that are used to facilitate the development or production of chemical or biological weapons, or weapons of mass destruction.
- If there is any other instance in which the President wants to use food or medicine in a sanctions regime, he may do so by first obtaining congressional consent.

(d) Countries Supporting International Terrorism. U.S. government assistance, including foreign assistance, export assistance, or any credit guarantees would not be available for export to governments of terrorist nations. Such exports have to be made on a commercial basis.

(e) Termination of Sanctions. If any unilateral agricultural or medical sanctions are imposed, they shall be terminated not later than two years unless they are reinstated by the President and Congress. Not later than 60 days before the date of termination of the sanction, the President would submit to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period not to exceed two years and the request for approval by Congress. Congress must enact a joint resolution of approval.

(f) Congressional Priority Procedures. The bill sets out the requirements for expedited congressional procedures for consideration of any joint resolution stating the approval of the President's proposed food and medicine embargo.

ADMINISTRATION POSITION

At press time, there was no official statement of administration position.

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